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UNCLAS PHNOM PENH 000210

SENSITIVE
SIPDIS

STATE FOR EAP/MLS, EEB/IFD/OMA -JULIA JACOBY

E.O. 12958: N/A
TAGS: [EAID](#) [ECON](#) [PREL](#)
SUBJECT: CAMBODIA'S FISCAL TRANSPARENCY IMPROVING

REF: STATE 28885

SENSITIVE BUT UNCLASSIFIED

1. (U) The Royal Government of Cambodia is a recipient of U.S. foreign assistance funded using FY 09 funds.

2. (U) The Ministry of Economy and Finance (MEF) makes publicly available the national budget. Government revenues and expenditures are published every month in the Monthly Bulletin, which are available for purchase, in both soft and hard copy, from the Department of Economic and Public Finance Policy, MEF.

3. (SBU) The delayed expenditure reporting cycle makes it difficult to guarantee that the publicly-available budget reflects with one hundred percent accuracy actual income and expenditures, particularly regarding off-budget revenues and unexpected expenditures. Additionally, data on externally financed capital expenditures is not yet available at a sufficiently refined level. However, the RGC has demonstrated commitment to greater fiscal transparency and accountability in the expenditure of donor revenues and to the collection and expenditure of government revenues through its Public Financial Management Reform Program (PFMRP). In addition to the PFMRP, the RGC continues to cooperate with donors on institutional reform and has enacted relevant laws and regulations at a steady pace. With the continued support of the IMF, World Bank, ADB, and the general donor community, the RGC has been able to create the foundation of a legal framework that governs fiscal transparency and accountability.

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